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POSTAL WORKERS' BONANZA—Nearly 500,000 postal workers will get compensation and damages that could total as much as $400 million in the biggest settlement in history under the Fair Labor Standards Act.

The Postal Service has agreed to the settlement in compensatory and liquidated damages for overtime violations under the FLSA.

Some postal employees could get as much as $1,000 each in payment, although the actual amounts have yet to be determined. The payments are expected to be made sometime in September.

Approximately 83,000 postal workers were plaintiffs in the suits filed by the three big AFL-CIO postal union affiliates charging the Postal Service with overtime violations of FLSA provisions. The unions are the National Association of Letter Carriers, the American Postal Workers Union and the Mail Handlers Union.

However, under the agreement reached with the Postal Service, the more than 400,000 postal workers who did not join in the suit will also receive compensation and damages, although the amounts in their cases may be somewhat less. They will not have to file separate claims in order to get the money.

The agreement between the unions and the Postal Service was reached following the decision by Judge June L. Green of U.S. District Court here last December in favor of the unions' suit.

Green found that the Postal Service had violated provisions of the FLSA by not paying overtime in connection with night differential and Sunday work and for not counting certain periods of the workday as actual worktime and thus denying employees of overtime for excess hours worked.

The agreement involves postal rank-and-file workers who are eligible for time-and-one-half cash payment for overtime work. It does not apply to postal managers, supervisors or postmasters.

The unions estimate that the final total amount that postal workers will receive will be at least $250 to $275 million and could reach $400 million under the court's edict.

The court imposed damages of 80 percent in addition to the overtime compensation due the employees. It raised the damages to 90 percent above the overtime compensation due the employees if the Postal Service is unable to come into compliance with the FLSA law by May 20, a time deadline that the Postal Service is unlikely to make.

Postal and federal employees weren't brought under the FLSA until 1974. The act has been in existence since 1938.

Government officials say they doubt very much whether federal departments and agencies would be involved in similar suits by federal workers and their unions or at least suits of that magnitude.

The officials say that federal employees work schedules and assignments differ considerably from postal workers, with little overtime involved. Also, they say that federal agencies generally have been careful to live up to the overtime requirements of the FLSA.

However, the postal case certainly could encourage federal employees who feel they have been cheated on overtime to file suits for compensation and damages under the FLSA law.

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SUPERVISORS PROTECTION IN DISCRIMINATION CHARGES—The Civil Service Commission has finally agreed on a new policy which gives federal supervisors and managers accused of discrimination practices a better chance to defend themselves.

After more than a year of wrestling with the problem, the CSC has officially issued a new set of regulations which will give supervisors and managers some rights previously denied them.

The CSC acted after the National Association of Supervisors, Federal Government, repeatedly protested the present system whereby supervisors and managers were not supplied or informed on the accusations and charges made against them and denied the opportunity to testify in person at the discrimination hearings.

The supervisors' group charged that this amounted to a kangaroo court in which the accused had no legitimate way of defending themselves against discrimination charges which could end or severely cripple their careers.

Under the new rules, supervisors and managers will be able to testify in person at the hearings and also have representatives of their own choosing on hand when they testify. They also will have the right to know the complete nature of the charges against them and the right to re-testify to answer additional accusations that are levied against them at the hearings.

They will not be allowed to attend the hearings other than to testify, but the hearing examiners in charge will keep them or their representatives fully apprised of the charges and accusations against them.

Also, following the hearings they will be allowed to see the file of the case, with the names of witnesses removed, if they are censured for their conduct. If, however, the decision calls for their firing or demotion, they would have the right to get the names of all witnesses in the case to use as they see fit in fighting such adverse actions on appeal.

Another new rule does not require complainants in discrimination cases to name one or more persons that they feel are responsible for the discrimination as is now the case. The CSC feels some cases of discrimination are systematic in nature, rather than the deliberate design of one or more persons.

By dropping this requirement, the CSC feels that while complainants undoubtedly will continue to accuse specific individuals in some cases, the number of supervisors and managers specifically accused will be less than before.

ONE VP OPTS FOR BLAYLOCK—Kenneth T. Blaylock, president of the AFL-CIO American Federation of Government Employees, whose support of President Carter's government personnel reform plan has gotten him into a lot of trouble with his membership, has won the support of at least one of his 14 national vice presidents.

Charles W. Carter of Lakewood, Colo., national VP of AFGE's 13th district, said he was "confident" that Carter's plan would support the rights of AFGE members. Most of the other AFGE VP's are not so confident about the plan.

MORE CRITICISM OF CARTER PLAN—Meanwhile, John F. Leyden, president of the Professional Air Traffic Controllers Organization (PATCO) has expressed serious reservations about the plan to split the Civil Service Commission into the proposed Office of Personnel Management and the merit systems protection board.

In testimony before the House Civil Service Committee, Leyden said that while a separate appeals and adjudicatory agency would appear to be a good idea, it would be anything but that as far as federal employees are concerned under the administration plan.

Not only would employees who are fired be denied the right of an evidentiary hearing and would have to bear the burden of proof in their appeals, even if they won their appeal under such prohibitive odds they still wouldn't be out of the woods.

Leyden pointed out that the merit systems protection board decision in favor of an employee would not necessarily be final.

The decision could be reopened and reconsidered at the request of the Office of Personnel Management, even though the OPM was not a party to the original action in any way.

If the OPM is still not satisfied with the board's decision, it could file a petition of judicial review with the U.S. Court of Appeals.

Leyden pointed out that even in cases of outside arbitration in firing cases—one of the trade-offs the Carter administration offered the AFL-CIO in support of the bill—the OPM can request the merit board to reconsider the arbitrator's decision if it is in favor of the employee.

"How does this differ from the pervasive management orientation of the present system?" Leyden asked. "Is this supposed to install confidence and optimism in a frustrated and suspicious workforce?"

Leyden added, "The (administration) bill strips away the most fundamental due process protections that have been the cornerstones of the merit system for years. Even that most elementary assumption of presumed innocence has been discarded in favor of a system that demands a guilty verdict unless the employee can prove himself wrongly accused.

"The performance appraisal system has been transformed into a potential witch hunt. The emphasis that the administration has placed on ridding itself of employees will not be missed by federal managers. This is especially chilling when coupled with a steady incursion of political appointments into positions traditionally held by career civil servants."

AFL-CIO THREAT—The AFL-CIO Public Employee Department issued a statement which contained a thinly-veiled threat to withdraw its support of Carter's personnel reform plan if the President put a cap on this year's federal white-collar pay raise.

In the statement, the PED did not specifically mention the personnel reform plan in threatening to "seriously reassess" its position on administration-backed legislation, but AFL-CIO officials said the meaning was obvious. Whatever dwindling support the administration expected from the AFL-CIO on its personnel reform plan would go out the window if Carter applies a 5 or 5.5 percent pay cap on this year's federal white-collar employee pay raise.

POSTAL PAY RAISES—Meanwhile, there is more good pay news for postal workers.

With one more month to go on the countdown for their next cost-of-living raise, rank-and-file postal employees already are assured of an increase of at least $234.

It's expected that they will wind up with a cost-of-living raise of approximately $300.

This will mean that postal workers during a 12 months period will wind up with pay raises of about $1,500, or about 11 percent.

APPEALS ESTABLISHED FOR THE HANDICAPPED—The Civil Service Commission has established a federal appeals system for hearing complaints of discrimination from government employees or job applicants based on physical or mental handicaps.

The new appeals system, effective April 10, will extend to handicapped persons the same avenues of appeal procedures that already apply to discrimination complaints involving race, color, religion, sex, national origin and age.

DUBIOUS PROPOSAL—Critics wish the Carter people would explain how the President's proposed senior executive service as part of his personnel reform plan could protect senior careerists whenever a new administration took over the White House, especially an administration of the opposite party.

Genuine fears have been raised that there would be massive removals because there is no protection provided for people in these jobs and they would be like sitting ducks when new politicians took over.

Hence, how could the government hope to attract the brightest young people into government in the future when they knew that once they reached the grade GS-14 or 15 levels their careers would be in jeopardy and they could wind up on the street at the age of 40 or 45.

It seems that about the only ones who would opt to go into the senior executive service would be those with political ties with the party in power. They would have nothing to lose because they would be out anyway once the opposite political party takes over.

So most of the present top career jobs would soon take on a political coloration. And soon we could kiss a meaningful merit system goodby.

We are not imputing any ulterior motives to the Carter people. We just think they are naive and inexperienced and got some bum advice.

For example, giving bonuses and merit raises to top career officials and denying them to others would result in the worst kinds of mischief, shennanigans and cutthroat office politics.

And it also would result in "make" work in which officials would think up projects of the most dubious value in order to call attention to themselves so they could get these special raises in lieu of regular pay raises. This "busyness" would lead to boondoggling that could make the old WPA of New Deal days green with envy and burden Americans with even more government interference in their lives, not to mention greatly increasing the cost of government.

Meanwhile, the executive council of the independent National Federation of Federal Employees condemned Carter's reform plan "as a return to the discredited practices the civil service act of 1883 was designed to remedy."

NOT MUCH OF AN EXAMPLE—Top Carter administration officials justify their recommendation for a 5 or 5.5 percent cap on this year's federal white-collar pay raise because of the fine example they hope it would have on companies and unions in the private sector in the battle to control inflation.

In this regard, the New York Times last w[illegible]n item about the country's biggest union, the Teamsters. The article read in part:

"The International Brotherhood of Teamsters will attempt to match the 37 percent gain in wages and fringe benefits won by coal miners, Frank E. Fitzsimmons, the union's president, said yesterday in New York.

"The miners 'got 37 percent increases,' he said and added:

" 'You think I'm going to the table for anything less? Somebody's got to be crazy.' "

***(The Comptroller General has ruled that federal departments and agencies may purchase subscriptions to the Federal Employees News Digest with government funds. The decision is No. B-185591, issued May 5, 1976.)**